

1 ROBERT S. MUELLER, III (CSBN 59775)  
United States Attorney

2 DAVID W. SHAPIRO (NYSB 2054054)  
3 Chief, Criminal Division

4 JOHN W. KENNEDY (CSBN 98407)  
Assistant United States Attorney

5 1301 Clay Street, Suite 340-S  
6 Oakland, California 94612  
Telephone: (510) 637-3689

7 Attorneys for the United States of America

8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 OAKLAND DIVISION  
11

12  
13 UNITED STATES OF AMERICA,

14 Plaintiff,

15 v.

16 LAKIREDDY BALI REDDY,

17 Defendant.

No. CR 00-4028-SBA  
PLEA AGREEMENT

18  
19 I, Lakireddy Bali Reddy ("the defendant") and the United States Attorney's Office  
20 for the Northern District of California and the United States Department of Justice, Civil  
21 Rights Division, (hereafter collectively "the government") enter into this written plea  
22 agreement (the "Agreement") pursuant to Rule 11(c)(1)(C) of the Federal Rules of  
23 Criminal Procedure:

24 The Defendant's Promises

25 1. I agree to waive indictment and plead guilty to Counts One, Two, Three,  
26 and Five of the Superseding Information filed in this case. Count One charges me with  
27 conspiracy to commit immigration fraud in violation of 18 U.S.C. § 371. Counts Two  
28 and Three each charge me with transporting a minor in foreign commerce for illegal

PLEA AGREEMENT

1 sexual activity, i.e., sexual intercourse with a minor, in violation of 18 U.S.C. § 2423(a).  
2 Count Five charges me with subscribing to a false tax return in violation of 26 U.S.C. §  
3 7206(1). I agree that the elements of the offenses and the maximum penalties are as  
4 follows:

5 1. Elements

6 A. Count One: 18 U.S.C. § 371 -- Conspiracy

- 7 (1) An agreement among two or more people,  
8 (2) to commit an offense against the United States, and  
9 (3) at least one overt act in furtherance of the agreement.

10 B. Counts Two and Three: 18 U.S.C. § 2423(a) – Transportation of Minors for  
11 Illegal Sexual Activity:

- 12 (1) The Defendant knowingly transports  
13 (2) An individual who is under 18 years old  
14 (3) In interstate or foreign commerce  
15 (4) With intent that the minor engage in sexual activity  
16 (5) For which any person can be charged with a criminal offense

17 C. Count Five: 26 U.S.C. § 7206(1) – Subscribing To False Tax Return

- 18 (1) The defendant made and signed a tax return for the year 1998 that he  
19 knew contained false information as to a material matter;  
20 (2) The return contained a written declaration that it was being signed  
21 subject to the penalties of perjury; and  
22 (3) The defendant acted willfully in filing the false tax return.

23 2. Maximum Penalties:

24 A. Count One: 18 U.S.C. § 371 -- Conspiracy

- |                                       |           |
|---------------------------------------|-----------|
| 25 1. Maximum prison sentence         | 5 years   |
| 26 2. Maximum fine                    | \$250,000 |
| 27 3. Maximum supervised release term | 3 years   |
| 28 4. Mandatory special assessment    | \$100     |

1 B. Counts Two and Three: 18 U.S.C. § 2423(a) – Transportation of Minors for  
2 Illegal Sexual Activity:

- |   |                                    |             |
|---|------------------------------------|-------------|
| 3 | 1. Maximum prison sentence         | 15 years    |
| 4 | 2. Maximum fine                    | \$250,000   |
| 5 | 3. Maximum supervised release term | 3 years     |
| 6 | 4. Mandatory special assessment    | \$100       |
| 7 | 5. Restitution (Stipulated amount) | \$2 million |

8 C. Count Five: 26 U.S.C. § 7206(1) – Subscribing To False Tax Return

- |    |                                    |           |
|----|------------------------------------|-----------|
| 9  | 1. Maximum prison sentence         | 3 years   |
| 10 | 2. Maximum fine                    | \$250,000 |
| 11 | 3. Maximum supervised release term | 1 year    |
| 12 | 4. Mandatory special assessment    | \$100     |
| 13 | 5. Costs of Prosecution            | None      |

14 I understand that, under 18 U.S.C. § 3583(d), I will be required to report my address to  
15 the Probation Officer who supervises me and to register with the State of California under  
16 California Penal Code Section 290. I agree to provide blood and saliva samples pursuant  
17 to California Penal Code Section 296.

18 2. I agree that I am guilty of the offenses to which I will plead guilty, and I  
19 agree that the following facts are true:

20 (1) Between 1986 and January 2000, I agreed with my  
21 codefendants and others to bring Indian nationals into the  
22 United States on the basis of fraudulent visas. As part of this  
23 conspiracy, I arranged and directed others to make  
24 arrangements to encourage aliens to sign and submit false visa  
25 petitions, to obtain fraudulent Indian passports, and to enter  
26 the United States under false identities. I also transported,  
27 harbored, and employed and directed others to transport,  
28

1 harbor, and employ the aliens who came into the United  
2 States on the basis of fraudulent visas.

3 (2) Prior to August 19, 1999, I made arrangements to  
4 have Venkateswara Vemireddy enter the United States on a  
5 fraudulent visa, to bring his sister into the United States  
6 posing as his wife, and to bring two minor girls (Victim #2  
7 and Victim #3) into the United States as their daughters.  
8 When I arranged for Victim #2 and Victim #3 to be brought  
9 from India to the United States, I intended to engage in sexual  
10 intercourse with Victim #2 and Victim #3, both of whom  
11 were minors when they were transported into the United  
12 States at my direction. I know that, in California, an adult  
13 who has sexual intercourse with a minor can be charged with  
14 a criminal offense.

15 (3) During calendar year 1998 and on May 14, 1999, I  
16 knew I had one or more bank accounts in India. When I  
17 signed my 1998 U.S. Individual Income Tax Return on May  
18 14, 1999, I stated under penalties of perjury that I did not have  
19 an interest in or signature or other authority over any bank  
20 accounts in a foreign country at any time during 1998. I  
21 signed and filed this tax return wilfully, I knew this statement  
22 was false, and the statement was material to a matter within  
23 the jurisdiction of the Internal Revenue Service.

24 I admit my responsibility for these offenses. I  
25 apologize to Victims #1, #2, #3, and #4, and to their families  
26 for the harm my conduct has caused them.

27 I understand that, if this case were to go to trial, the government is prepared to prove the  
28 following:

1 As part of the conspiracy charged in Count One, the  
2 defendants arranged for the entry into the United States of  
3 between 25 and 99 Indian nationals on the basis of fraudulent  
4 visas. At least some of these aliens were vulnerable victims  
5 because they were young women and girls who came from  
6 extremely poor families of a low caste in India, were  
7 desperate to come to the United States, and were dependent  
8 upon defendant Lakireddy Bali Reddy for employment,  
9 housing, sustenance, and income both in India and in the  
10 United States. These vulnerable victims included Victims #1,  
11 2, 3, and 4. On August 19, 1999, Victim #2 and Victim #3  
12 entered the United States in furtherance of this conspiracy.  
13 Victims #2 and 3 were under the age of 16 years when they  
14 were transported into the United States.

15 Defendant Lakireddy Bali Reddy played a leadership  
16 role in this offense because he was the primary organizer,  
17 leader, and decision-maker in the conspiracy to bring these  
18 aliens into the United States illegally; he directed others who  
19 assisted him in carrying out this conspiracy; and he  
20 determined where the aliens would work when they arrived in  
21 the United States, where they would live, and how much, if  
22 any, they would be paid for their work. This immigration  
23 fraud conspiracy involved more than five participants and was  
24 otherwise extensive.

25 As part of this conspiracy, on October 24, 1991,  
26 defendant Lakireddy Bali Reddy prepared a Petition for Alien  
27 Relative seeking permission to bring Victim #4, whose  
28 reported age was 11 years old, into the United States under a

1 fraudulent identity. On October 28, 1993, Victim #4, whose  
2 reported age was then 13 years old, entered the United States  
3 on this fraudulent visa. When the defendant arranged to bring  
4 Victim #4 into the United States, he intended to engage in  
5 sexual intercourse with Victim #4, who he knew was a minor.

6 3. I agree to give up all rights that I would have if I chose to proceed to trial,  
7 including the rights to a jury trial with the assistance of an attorney; to confront and cross-  
8 examine government witnesses; to remain silent or testify; to move to suppress evidence  
9 or raise any other Fourth or Fifth Amendment claims; to pursue any affirmative defenses  
10 and present evidence; and to any further discovery from the government, as may be  
11 limited by United States v. Ruiz, 2000 WL 33201189 (9<sup>th</sup> Cir. March 5, 2001).

12 4. I agree to give up my right to appeal my conviction, the judgment, and  
13 orders of the Court. I also agree to waive any right I may have to appeal any sentence  
14 within the Sentencing Guidelines range agreed upon in Paragraph 8 below, including any  
15 order of restitution imposed as part of my sentence, provided that the order of restitution  
16 does not exceed \$2 million.

17 5. I agree not to file any collateral attack on my conviction or sentence,  
18 including a petition under 28 U.S.C. §2255, at any time in the future after I am sentenced,  
19 except for a claim that my constitutional right to the effective assistance of counsel was  
20 violated.

21 6. I agree not to ask the Court to withdraw my guilty plea at any time after it is  
22 entered, unless the Court declines to accept the sentence agreed to by the parties. I agree  
23 that the government may withdraw from this agreement if the Court does not accept the  
24 agreed-upon sentence, including the amount of restitution, set out below.

25 7. I agree that the Sentencing Guidelines should be calculated as follows, and  
26 that I will not ask for any other adjustments to, reductions of, or downward departures  
27 from the following offense levels:

A. Count One: 18 U.S.C. § 371 -- Conspiracy

- |    |   |                 |
|----|---|-----------------|
| 1. | Base Offense Level, U.S.S.G. § 2L1.1:   | 12              |
| 2. | Specific offense characteristics, § 2L1.1(b)(2)(B)<br>(Number of unlawful aliens between 25 and 99) | +6              |
| 3. | Vulnerable Victims (§ 3A1.1(b)(1)):   | +2              |
| 4. | Increase for role in the offense (§ 3B1.1(a)):  | $\frac{+4}{24}$ |

B. Counts Two and Three: 18 U.S.C. § 2423(a) -- Transportation of Minors for Illegal Sexual Activity:

- |    |  |                 |
|----|--|-----------------|
| 1. | Base Offense Level, U.S.S.G. § 2G1.1:  | 14              |
| 2. | Specific offense characteristics, § 2G1.1(b)(2)<br>(Victims were less than 16 years old)       | +7              |
| 3. | Victims were in the custody, care, and supervisory<br>Control of the defendant (§ 2G1.1(b)(3)) | +2              |
| 4. | Vulnerable Victims (§ 3A1.1(b)(1)):  | $\frac{+2}{25}$ |

C. Count Five: 26 U.S.C. § 7206(1) -- Subscribing To False Tax Return

- |    |                                       |   |
|----|---------------------------------------|---|
| 1. | Base Offense Level, U.S.S.G. § 2T1.1: | 6 |
|----|---------------------------------------|---|

D. Grouping of Counts:

I agree that the combined offense level is calculated pursuant to U.S.S.G. § 3D1.4 as follows:

<u>Group and Offense Level</u>	<u>Number of Units</u>	
1. Count Two (Level 25)	1	
2. Count Three (Level 25)	1	
3. Count One (Level 24)	1	
4. Relevant conduct (Victim #4)	1	
5. Count Five (Level 6)	<u>0</u>	
	4	
Group with the highest level		25
Resulting increase in offense level		$\frac{+4}{29}$

1 Acceptance of responsibility -3  
2 Final Offense Level 26  
3 In light of the parties' agreement relating to restitution, the government agrees to  
4 recommend that the Court impose a fine at the low end of the sentencing guidelines range  
5 for the fine.

6 8. I agree that an appropriate disposition of this case is as follows: Sentencing  
7 Guidelines offense level 26; Criminal History category I; Sentencing Guidelines range of  
8 63 to 78 months; 3 years of supervised release (with conditions to be fixed by the Court);  
9 \$400 special assessment; and \$ 2 million restitution. I agree that, in exchange for the  
10 government's promises in this Plea Agreement, I will pay a total of \$2 million restitution,  
11 that is \$750,000 to Victim #1, \$750,000 to Victim #2 and the family of Victim #3, and  
12 \$500,000 to Victim #4, each of whom is identified in a sealed supplement to this Plea  
13 Agreement, at or before the date of sentencing. I agree to pay this restitution because of  
14 the harm caused by my actions and offenses against Victims #1, 2, 3, and 4. I understand  
15 that the restitution is for losses stemming from the charges to which I am pleading guilty  
16 and losses stemming from additional charges that the government is investigating and is  
17 prepared to charge in a proposed Superseding Indictment. I agree to pay \$2 million in  
18 restitution in return for the government's promises in this Plea Agreement, including the  
19 promise not to pursue certain additional charges. I also agree that I will not object to such  
20 an order of restitution and that, if, for any reason, I do not pay such restitution by the date  
21 of sentencing, the government is not bound by its agreements and promises in this Plea  
22 Agreement. I also agree that the Court should include as one of the terms of my  
23 supervised release that I will not, either directly or through any other person, contact,  
24 threaten, or in any way attempt to contact, harm, intimidate, or harass any of the victims  
25 or witnesses named in the sealed Supplement to Plea Agreements. However, it is  
26 foreseeable that my attorneys may have contact with the victims or witnesses through  
27 their counsel, if any, in the course of civil proceedings. I agree that, before or after  
28 sentencing, I will, upon request of the Court, the government, or the U.S. Probation



1 Office, provide accurate and complete financial information, release funds and property  
2 under my control, submit sworn statements and give depositions under oath concerning  
3 my assets and my ability to pay, surrender assets I obtained as a result of my crimes, and  
4 make a good faith effort to pay amounts I am ordered to pay as a fine, forfeiture, or  
5 restitution. I agree that the Court should find that I have the financial ability to pay the  
6 amount of restitution stated above. I agree to pay the special assessment at the time of  
7 sentencing. The parties agree that, in order to enable me to make arrangements to pay the  
8 agreed-upon restitution, I may remain out on bail until the day of my sentencing.

9 9. I agree not to commit or attempt to commit any crimes before sentence is  
10 imposed or before I surrender to serve my sentence. I also agree not to violate the terms  
11 of my pretrial release (if any); intentionally provide false information to the Court, the  
12 Probation Office, Pretrial Services, or the government; or fail to comply with any of the  
13 other promises I have made in this Agreement. I agree that, if I fail to comply with any  
14 promises I have made in this Agreement, then the government will be released from all of  
15 its promises below, but I will not be released from my guilty plea.

16 10. I agree that this Agreement contains all of the promises and agreements  
17 between the government and me, and I will not claim otherwise in the future.

18 11. I agree that this Agreement binds the U.S. Attorney's Office for the  
19 Northern District of California and the United States Department of Justice Civil Rights  
20 Division only, and does not bind any other federal, state, or local agency. The  
21 government has been advised by Assistant District Attorney Karen Meredith that the  
22 District Attorney for Alameda County has agreed not to charge me with any crimes  
23 committed prior to the date of this agreement against Victim #1, Victim #2, Victim #3, or  
24 Victim #4, each of whom is identified in a sealed supplement to this Plea Agreement.

25 12. I agree that this Plea Agreement is contingent upon the Plea Agreements of  
26 two of my codefendants, Jayaprakash Lakireddy, and Annapurna Lakireddy. That is, the  
27 parties are bound to the terms of each of these plea agreements only if all three of these  
28 defendants enter guilty pleas pursuant to their respective written Plea Agreements and the

1 Court ultimately accepts all three plea agreements, including the agreements on  
2 restitution, within the meaning of Rules 11(e)(1)(C) and 11(e)(3). If the Court rejects any  
3 one of the three defendants' Plea Agreements, then the parties are not bound by any of the  
4 Plea Agreements.

5 The Government's Promises

6 13. The government agrees to move to dismiss any open charges pending  
7 against the defendant in the captioned indictment at the time of sentencing.

8 14. The government agrees not to file or seek against the defendant any  
9 additional charges that could be filed as a result of the investigation underlying this case,  
10 except for any charges pursuant to 18 U.S.C. §§ 1119, 1512(a), and 1958. The  
11 government also agrees that, absent extraordinary and unforeseen circumstances, the  
12 government will not call the defendant as a witness in the criminal proceedings against  
13 Prasad Lakireddy and Vijay Lakireddy.

14 15. The government agrees that the appropriate sentence in this case should be  
15 as set forth in paragraph 8 above, unless the defendant violates the agreement as set forth  
16 in paragraphs 8 and 9 above.

17 The Defendant's Affirmations

18 16. I confirm that I have had adequate time to discuss this case, the evidence,  
19 and this Agreement with my attorney, and that he has provided me with all the legal  
20 advice that I requested.

21 17. I confirm that while I considered signing this Agreement, and at the time I  
22 signed it, I was not under the influence of any alcohol, drug, or medicine.

23 18. I confirm that my decision to enter a guilty plea, including my decision to  
24 agree to the restitution component of my sentence, is made knowing the charges that have  
25 been brought against me, any possible defenses, and the benefits and possible detriments  
26 of proceeding to trial. I also confirm that my decision to plead guilty, including my  
27 decision to agree to the restitution component of my sentence, is made voluntarily, and  
28 no one coerced or threatened me to enter into this agreement.

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Dated: \_\_\_\_\_

LAKIREDDY BALI REDDY  
Defendant

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ROBERT S. MUELLER, III  
United States Attorney

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Dated: \_\_\_\_\_

JOHN W. KENNEDY  
Assistant United States Attorney

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WILLIAM YEOMANS  
Acting Assistant Attorney General  
Civil Rights Division

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14 DATED:

BHARATHI VENKATRAMAN  
Trial Attorney  
Civil Rights Division

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Dated: \_\_\_\_\_

TED CASSMAN  
Attorney for Defendant

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REDDY\BREDDY PBA WPD

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